



TUCSON HOUSING TRUST FUND CITIZEN ADVISORY COMMITTEE

**Thursday, August 23, 2007 – 3:30 P.M.
Community Resource Center
320 N. Commerce Park Loop
Sentinel Building/Santa Cruz Conference Room**

MINUTES

Committee Members

Present:

Susan L. Brenton
Albert Celaya
David Duffy
Michael Grassinger

Gary Hardy (left @ 3:40)
Mark S. Jaffee
Michael Parker
Corky Poster

Andy Silverman
Stephen J. Young

Committee Members

Absent:

Thomas Doucette
Don Strauch

Terry Galligan

Kimberly Pacheco

Also

Present:

George Pettit, City of Tucson, Ward III
Emily Nottingham, Director, Community Services
Jack Siry, Asst. Dir., Community Services
Ron Koenig, Community Services
Ron Whitman, Community Services
Alba Preisch, Community Services

A. Call to Order

The meeting was called to order at 3:37 p.m.

B. Election of Officers

Motion by Andy Silverman, seconded by Susan Brenton to elect David Duffy as Committee Chairman. Motion passed by a unanimous vote.

Motion by Corky Poster, seconded by Voni Romero-Harris to elect Tom Doucette as Vice-Chairman. Motion passed by a unanimous vote.



C. Approval of Minutes (8-7-07)

Motion by Andy Silverman, seconded by Corky Poster to approve the minutes as presented. Motion passed by a unanimous vote.

D. Draft Program Implementation Plan

Emily Nottingham discussed the Tucson Housing Trust Fund Sample Expenditure Plan prepared by staff for the committee. In the area of Homeownership the plan includes models for Downpayment Assistance; Acquisition-Rehab-Resale; and Land Trust (acquisition of land for future development). In the area of Owner Occupied Housing Improvements the plan includes Traditional Housing Rehabilitation; Neighborhood Based Technical Assistance; Acquisition of Land for Future Development; and Pre-development Loans. In the area of Fund Development Costs the plan provides for setting aside an amount for marketing and fund development. Staff's recommendation is to use the startup money for the Downpayment Assistance Program or use some of the money to fund predevelopment expenses for a tax credit project.

The committee discussed the possibility of increasing the stock of affordable housing with respect to homeownership, rentals; low income housing tax credit units for workers who live and work in the downtown area while waiting for the housing market to pick up; and, the possibility of putting out a request for qualifications asking groups of non-profit, for-profit or a combination, to come forward and apply for the seed money for one project. The committee also discussed having a brainstorming session to discuss this one subject only and then directing a subcommittee to focus on the various ideas and come back with specifics. Emily suggested that the committee members e-mail their ideas to a central location so that there is a starting point for the brainstorming session. A subcommittee could then be assigned to study the ideas presented and come back to the committee with their recommendations. Emily also advised that Mayor and Council have requested that the committee designate a funding source by fall, 2007.

Corky Poster moved, seconded by Gary Hardy, to spend the first part of the next regular meeting brainstorming the Program, narrow the ideas to approximately three in each category and then break into subgroups to try to come up with recommendations. A program subcommittee will then be appointed to meet separately at a later date and then report back to the committee in October. The meeting in October should then be dedicated to brainstorm funding sources. The motion passed unanimously.

The committee also decided to report to Mayor and Council on status of recommendations after November.

No further action was taken.



E. HTF Revenue Sources

Emily stated that per the committee's request staff has provided information on how other trust funds are funded. The handouts presented include information on State, County and City trust funds. She noted that the most frequent funding source is related to real estate transfer of documents.

Jack Siry presented background information on the Housing Trust Fund Progress Report for 2007 and the Housing Trust Fund Revenue Sources for August, 2007 handout.

Albert Celaya suggested that if the core money were to be moved to a 4% Money Market Account it would make a dramatic difference in the interest earned. Emily stated that she would present this idea to financial staff and find out what options are available.

Mr. Celaya also suggested the use of IDA money currently available, do a fund match and then pick a non-profit agency to administer these funds. For example, a homeowner could save for six months, be screened by the non-profit agency to determine that they are eligible, and whatever they have saved during the six month period would be matched 4 to 1 up to \$1,000, for a potential of \$5,000 to be layered towards other programs.

Mark Jaffee asked if there was a timeline of when the \$2,000,000 settlement would take place. Emily stated that the City Attorney projected that it would happen sometime this fiscal year, however she will ask if there are any further updates on the status.

Corky Poster spoke in favor of a property transfer tax.

No formal action was taken.

F. Updates to National Trust Fund

Staff provided update materials to the committee for their review.

No action was taken.

G. Budget Considerations

Emily stated that at the last meeting, a starting budget was announced of \$627,000 however the amount is incorrect. The Finance Department based that amount upon the projections of June 30th. However during the 13th accounting period where all the expenditures are checked, it was discovered that there were more expenditures in the solid waste low-income fund and now the correct amount is approximately \$325,000. An update will be provided at the next meeting.



Emily also advised that with regard to the fundraising event to be held on September 14th, the Housing Commission would be paying for a table for members only and not their guests.

No formal action was taken.

H. Formation of Subcommittees

This item was postponed to the next regular meeting.

I. Future Agenda Items

Discussion was held on the possibility of holding a special meeting before the fundraising event. No action was taken.

Staff was requested to provide guidelines for funding disbursement.

J. Call to the Audience

George Pettit, Ward 3, advised that with regard to revenue sources, Council Member Ulich has discussed the possibility of part of a 2% Business Privilege Tax on Advertising for housing. Also suggested is to look at existing sources of revenue and allocate an increment above the current level to the fund.

K. Adjournment

The meeting adjourned at 5:07 p.m.

